



DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of Inspector General

Memorandum

NOV 3 1994

Date

From

June Gibbs Brown
Inspector General

Subject

Summary of Nonfederal Audit Reports Related to the Indian Health Service (CIN: A-05-93-00079)

To

Philip R. Lee, M.D.
Assistant Secretary for Health

The attached final report summarizes Indian Health Service (IHS) findings in nonfederal audit reports, issued during Calendar Year 1992, where IHS or an agency of the Department of Health and Human Services (HHS) is responsible for the audit resolution. Our review is provided to focus management's attention to areas where improvements are needed in the administration of IHS-funded programs.

We reviewed 133 nonfederal audit reports of tribes, nonprofit organizations, and other governmental organizations. These reports were prepared by independent auditors, as required by the Office of Management and Budget Circulars A-128 and A-133. Total HHS funding summarized in the reports was about \$234 million, including IHS funding of approximately \$137 million.

The 133 reports contained 511 findings with questioned costs of about \$1.2 million. We categorized and summarized the 511 findings into the following 7 deficiency categories: internal controls, cash management, financial reporting, cash disbursement, policy and procedures, accounting system, and program and administrative.

We recommend that the Director of IHS use the nonfederal reports to identify and address recurring deficiency areas where improvements are needed in order to effectively and efficiently administer IHS-funded programs. The IHS should focus its attention in these areas by issuing to the administrators of tribal programs guidelines and instructions, holding training workshops, and closely monitoring the corrective actions. Focusing attention on identified deficiencies should improve tribal accountability of IHS program funds and operations.

The Public Health Service (PHS) concurred with our recommendations. The PHS stated that it performs an annual summary of various audits. We determined that PHS' summary

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does not provide the detail needed to identify and quantify the significance of recurring deficiencies. Thus, we strongly encourage IHS to adopt the detailed type of analysis presented in our report, so that educational efforts focus on preventing recurring deficiencies in the programs it funds.

We would appreciate being advised within 60 days of the status of corrective actions taken or planned on each recommendation. Should you wish to discuss this report, please call me or have your staff contact Michael R. Hill, Assistant Inspector General for Public Health Service Audits, at (301)443-3582.

To facilitate identification, please refer to Common Identification Number A-05-93-00079 in all correspondence relating to this report.

Attachment

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**SUMMARY OF NONFEDERAL AUDIT
REPORTS RELATED TO THE INDIAN
HEALTH SERVICE**



**JUNE GIBBS BROWN
Inspector General**

**NOVEMBER 1994
A-05-93-00079**

EXECUTIVE SUMMARY

BACKGROUND

In addition to operating a system of inpatient and ambulatory care facilities, the Indian Health Service (IHS) provides funds directly to tribes and tribal organizations (tribal groups) so that they can offer health programs for their members. The tribal groups receive funding from IHS as well as other government entities. The Office of Management and Budget (OMB) requires tribal groups to have annual financial audits conducted by independent auditors as prescribed by OMB Circulars A-128 and A-133. These audits are conducted to ensure that tribal groups are in compliance with applicable laws and regulations.

The independent auditors' reports are currently being submitted to the Department of Health and Human Services (HHS), Office of Inspector General (OIG), National External Audit Review Center (NEARC) in Kansas City, Missouri. The NEARC codes findings and recommendations related to HHS programs in an automated tracking system for reporting purposes and subsequent resolution. These reports, once processed, are issued by NEARC to appropriate Federal officials for audit resolution.

OBJECTIVES AND METHODOLOGY

The objectives of our review were to:

- summarize IHS findings contained in nonfederal audit reports, issued by NEARC during Calendar Year (CY) 1992, where IHS or an HHS agency is responsible for the audit resolution.
- consolidate these findings into deficiency categories to focus management's attention to areas where improvements are needed in the administration of IHS-funded programs.

To meet our objectives, we reviewed 133 reports containing 511 findings with related questioned costs of approximately \$1.2 million. These reports, covering various fiscal years (FY), identified estimated IHS funding of \$137.4 million provided to tribal groups.

We consolidated these findings into seven deficiency categories to focus management's attention to areas where improvements are needed in the administration of IHS-funded programs.

**RESULTS
OF
REVIEW**

We identified the following 7 deficiency areas from our analysis of the 511 findings.

<u>Deficiency Category</u>	<u>Findings</u>	<u>Percent</u>	<u>Questioned Costs</u>
Internal Controls	94	18	\$ 19,245
Cash Management	45	9	534,182
Financial Reporting	79	16	3,070
Cash Disbursements	85	17	403,957
Policy and Procedures	16	3	0
Accounting System	63	12	23,883
Program & Admin. Requirements	<u>129</u>	<u>25</u>	<u>226,361</u>
Total	<u>511</u>	<u>100%</u>	<u>\$1,210,698</u>

**CONCLUSIONS
AND
RECOMMENDATIONS**

We are aware that IHS reviews the independent auditor reports on an individual, report-by-report basis. Each review of a report is used by the agency to resolve the audit findings associated with an individual group who is the subject of the report. However, IHS does not routinely perform an analysis on the aggregate findings of all the reports. Such an analysis would enable IHS to determine if there are patterns of weaknesses apparent in more than one tribal group that require prompt management attention.

We believe that nonfederal audits performed by independent auditors of the tribal groups can provide IHS with a means to identify recurring problem areas, and ultimately assist the agency in ensuring proper stewardship of Federal funds. Therefore, we recommend that the Director of IHS:

- routinely perform analyses on the aggregate findings of the nonfederal audit reports conducted of IHS-funded programs in order to identify deficiency areas which may place the programs at risk.
- emphasize what the weaknesses are, and provide guidance to the administrators of tribal groups on appropriate corrective actions. For example, applicable guidance may be provided by issuing program guidelines and instructions, and holding training workshops.

**PHS COMMENTS AND
OIG RESPONSE**

The Public Health Service (PHS), in its September 28, 1994 comments (see Appendix D) on our draft report, dated July 25, 1994, concurred with our recommendations. The PHS' Office of Management performs an annual summary of audit coverage for all of its agencies. The PHS summary, however, does not provide the detail needed to identify and quantify the significance of recurring problem areas. We believe an analysis identifying specific problem areas, such as the one we performed for this report, will increase the effectiveness of IHS' education program by focusing efforts on preventing and correcting deficiencies.

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INTRODUCTION

BACKGROUND The IHS provides a comprehensive health services delivery system for more than one million American Indians and Alaska Natives. In addition to operating a system of inpatient and ambulatory care facilities, the system provides opportunities for maximum tribal involvement in developing and managing programs to meet their health needs.

The Indian Self-Determination and Education Assistance Act of 1975 (P.L. 93-638) gives tribal groups the option of staffing and managing health care programs in their communities, and provides funding for improvement of tribal capability to contract. Through self-determination contracting, tribal health care programs continue the comprehensive preventive and curative service delivery systems initiated by IHS.

The OMB Circulars A-128 and A-133 require the majority of entities receiving Federal funds (recipients), including tribal groups, to have an annual financial audit. These audits, conducted by independent auditors, are commonly referred to as nonfederal audits.

The OMB Circular A-128 was issued pursuant to the Single Audit Act of 1984 for the purpose of establishing audit requirements for State and local governments that receive Federal aid. In addition, OMB Circular A-133 established audit requirements for institutions of higher education and other nonprofit institutions receiving Federal awards. Audits conducted pursuant to these circulars are to ensure that the entities funded by the Federal Government are complying with applicable laws and regulations.

Independent auditor reports are currently being submitted to HHS, OIG, NEARC in Kansas City. The NEARC codes findings and recommendations related to HHS programs in an automated tracking system for reporting purposes and subsequent resolution. (Findings and recommendations not directly related to HHS programs are not identified and coded by NEARC staff.) Once processed, the audit reports are issued by NEARC to appropriate Federal officials for audit resolution. A summary of reports we consider to include significant audit findings are detailed in Appendix C.

SCOPE, OBJECTIVES, AND METHODOLOGY

Scope

Our review was conducted in accordance with generally accepted government auditing standards. It was performed during the period May-September 1993, at NEARC in Kansas City, Missouri, and OIG Region V field office in Springfield, Illinois.

It should be noted that the review did not require an assessment of the tribal group organizations' internal control systems. In addition, although we did gain an understanding of the audit resolution process, we did not evaluate PHS audit resolution activities.

Objectives

The objectives of our review were to:

- summarize IHS findings contained in nonfederal audit reports, issued by NEARC during CY 1992, where IHS or an HHS agency is responsible for the audit resolution.
- consolidate these findings into deficiency categories to focus management's attention to areas where improvements are needed in the administration of IHS-funded programs.

Meeting the objectives of our review should provide departmental management with a means to draw conclusions about the effectiveness of policies and procedures followed in overseeing Federal funds.

Methodology

To accomplish our objectives, we requested and received from NEARC a data base of nonfederal audit reports and findings of auditees receiving IHS funding. We determined that there were 276 reports processed and issued by NEARC during CY 1992. Of these reports, 133 contained IHS and/or crosscutting findings where IHS or an HHS agency is responsible for the audit resolution. (Our review did not include findings applicable to other HHS programs, such as Headstart and Title VI-Administration on Aging.) The 133 reports contained 511 findings with related questioned costs of approximately \$1.2 million.

Findings affecting more than one Federal program are generally referred to as crosscutting findings. The cognizant agency is held responsible for the resolution of these findings. We noted

that the Department of Interior is the cognizant agency for resolving the crosscutting findings in 96 of the 133 reports. As a result, the crosscutting findings for these 96 reports would not be identified and coded by NEARC staff.

We consolidated the 511 findings into 7 deficiency categories to focus management's attention to areas where improvements are needed in the administration of IHS-funded programs. The deficiency categories were developed by OIG as a means to classify the findings for ease of evaluation.

The 133 nonfederal audit reports represent 122 different auditees. There were 11 instances where more than 1 audit report was issued for the same auditee but for a different audit period. The number of auditees by type are:

- 97 tribes
- 34 nonprofit organizations
- 2 other governmental organizations

The HHS funding to these auditees for the periods audited was approximately \$234 million, of which IHS funding constituted about \$137 million.

RESULTS OF REVIEW

We identified 7 deficiency areas from our analysis of the 511 weaknesses. As shown in the following table, program and administrative requirements, internal controls, cash disbursements, and financial reporting were the major deficiency areas.

<u>Deficiency Category</u>	<u>Findings</u>	<u>Questioned Costs</u>
Internal Controls	94	\$ 19,245
Cash Management	45	534,182
Financial Reporting	79	3,070
Cash Disbursements	85	403,957
Policy and Procedures	16	0
Accounting System	63	23,883
Program & Admin. Requirements	<u>129</u>	<u>226,361</u>
Total	<u>511</u>	<u>\$1,210,698</u>

A summary of the findings by our classifications is presented in Appendix A. Appendix B provides details of the deficiency and related subdeficiency areas discussed in the subsequent paragraphs. Appendix C lists audit findings we consider significant.

Following is a brief description of our findings in the seven deficiency areas, and a discussion of why corrective action should be implemented in these areas.

INTERNAL CONTROLS

There were 94 findings relating to inadequate internal controls cited in 46 of the 133 audit reports. We categorized the findings into the following deficiency subcategories:

<u>Deficiency Subcategory</u>	<u>Findings</u>	<u>Questioned Costs</u>
Supervisory Authorization or Reviews	27	\$19,245
Safeguards	23	0
Segregation of Duties	13	0
Reconciliation of Accounting Records	<u>31</u>	<u>0</u>
Total	<u>94</u>	<u>\$19,245</u>

Internal controls are needed by management to provide reasonable assurance that:

- resources used are consistent and in conformance with laws, regulations, and policies;
- grant cash, real and personal property, and other assets are safeguarded against waste and loss, and are used solely for authorized purposes; and
- reliable data are obtained, maintained, and fairly disclosed in reports.

An adequate internal control system must provide for:

Supervisory Authorization or Reviews - Transactions and other significant events are to be authorized and executed only by persons acting within the scope of their authority. Authorization should be clearly communicated to managers and employees, and should include the specific conditions and terms under which authorizations are to be made.

Safeguards - Access to resources and records is to be limited to authorized individuals, and accountability for the custody and use of resources is to be assigned and maintained. Periodic comparisons should be made of the resources with the recorded accountability to determine whether the two agree.

Segregation of Duties - Key duties and responsibilities in authorizing, processing, recording, and reviewing transactions should be separated among individuals. To reduce the risk of error, waste, wrongful acts, or undetected errors, no one individual should control all key aspects of a transaction or event. In small organizations, where it is impossible to have greater segregation of duties, it is important to have the board of directors be involved in and oversee the functional operation.

Reconciliation of Accounting Records - Transactions and other significant events should be promptly recorded and properly classified. Records which identify adequately the source and application of funds must be maintained.

CASH MANAGEMENT

There were 45 cash management weaknesses identified in 38 of the 133 audit reports. We determined the following deficiency subcategories applicable to cash management:

<u>Deficiency Subcategory</u>	<u>Findings</u>	<u>Questioned Costs</u>
Excess Cash on Hand	29	\$356,904
Interfund Transactions	10	177,278
Separate Accountability	6	0
Total	<u>45</u>	<u>\$534,182</u>

When advance payment procedures are used, timing is a critical factor in proper cash management. It is important that there be minimal time between the transfer of funds from the United States Treasury and disbursement by Federal fund recipients. To properly manage cash, the recipients should have procedures to: ensure sufficient, but not excessive cash is on hand; prevent interfund transfers; and provide accountability for funds.

FINANCIAL REPORTING

In 79 instances, identified in 54 of the 133 audit reports, financial reporting was either inaccurate, incomplete, untimely, or not submitted as required. We categorized the financial reporting deficiencies in one of two areas:

<u>Deficiency Subcategory</u>	<u>Findings</u>	<u>Questioned Costs</u>
Inaccurate or Incomplete	14	\$ 3,070
Untimely or Not Submitted	65	0
Total	<u>79</u>	<u>\$ 3,070</u>

Federal regulations for post-award requirements mandate that fiscal control and accounting procedures of the recipient must be sufficient to permit preparation of reports required. Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the award.

CASH DISBURSEMENTS

In 47 of the 133 reports, we identified 85 findings related to cash disbursement. We categorized the findings as being in one of the following two deficiency subcategories:

<u>Deficiency Subcategory</u>	<u>Findings</u>	<u>Questioned Costs</u>
Source Documentation of Expenditure	49	\$209,023
Unallowable Costs	36	194,934
Total	<u>85</u>	<u>\$403,957</u>

Federal regulations require fund recipients to adequately document all transactions and other significant events, and that the documentation should be readily available for examination. Adequate documentation of transactions should facilitate tracing the transaction or event. The recipients should use Federal funds only for allowable costs, which are determined in accordance with the cost principles applicable to the organization incurring the costs.

POLICIES AND PROCEDURES

There were 16 findings reported, in 14 of 133 reports, relating to policy and procedural issues. The lack of policies and procedures were noted for payroll practices, journal entry posting, cash disbursements, cost allocation, general accounting, personnel, and property control. The policy and procedural deficiencies were as follows:

<u>Deficiency Subcategory</u>	<u>Findings</u>	<u>Questioned Costs</u>
Accounting	12	\$ 0
Equipment, Property, & Personnel	<u>4</u>	<u>0</u>
Total	<u>16</u>	<u>\$ 0</u>

Written policies and procedures are necessary for effective and efficient operations. Documentation of internal control systems should include identification of the cycles and related objectives and techniques, and should appear in management directives, administrative policy, and accounting manuals. The maintenance of a properly compiled policy and procedures manual provides the employees with the means to consistently process accounting information.

ACCOUNTING SYSTEM

We identified 63 findings in 41 of the 133 audit reports associated with the tribal groups' accounting systems. We categorized these findings in the following deficiency subcategories:

<u>Deficiency Subcategory</u>	<u>Findings</u>	<u>Questioned Costs</u>
Accounting System	42	\$ 5,622
Inaccurate Accounting Transactions	<u>21</u>	<u>18,261</u>
Total	<u>63</u>	<u>\$23,883</u>

Federal recipients are required to have adequate accounting and bookkeeping systems. These systems should identify the source and application of funds provided for each financially-assisted activity. The information identifiable within these systems should relate to authorizations, obligations, assets, expenditures, and income of Federal awards.

PROGRAM AND ADMINISTRATIVE REQUIREMENTS

There were 129 program and administrative findings in 67 of the 133 audit reports. We categorized these findings as follows:

<u>Deficiency Subcategory</u>	<u>Findings</u>	<u>Questioned Costs</u>
General Program and		
Admin. Requirements	84	\$226,361
Record Keeping	28	0
No Drug-Free Workplace	<u>17</u>	<u>0</u>
Total	<u>129</u>	<u>\$226,361</u>

Federal recipients should manage and monitor day-to-day program operations and maintain adequate record keeping systems. In addition, they are required to provide a drug-free workplace.

General Program and Administrative Requirements - Recipients are responsible for managing and monitoring the day-to-day operations of their activities to assure compliance with applicable Federal requirements and to ensure that performance goals are being achieved.

Record Keeping - Federal regulations require funding recipients to maintain adequate record keeping systems. Records should be maintained in such areas as personnel, training, and fixed assets. Overall, award files should be kept up-to-date and retain source documents.

No Drug-Free Workplace Policy - Federal law requires recipients of Federal funds to implement a written policy ensuring that the workplace is free from illegal use, possession, or distribution of controlled substances.

CONCLUSIONS AND RECOMMENDATIONS

Based on our analysis of the 133 audit reports, we conclude that there are patterns of fiscal and managerial weaknesses among the tribal groups receiving IHS funds. These weaknesses can affect their ability to effectively and efficiently administer Federal funds. According to PHS and IHS officials responsible for overseeing audit resolution, IHS reviews the independent audit reports on an individual, report-by-report basis. Each review of a report is used by IHS to resolve the audit findings associated with an individual tribal group who is the subject of the report. However, IHS does not routinely perform an analysis on the aggregate findings of all the reports. Such an analysis would enable IHS to identify patterns of weaknesses apparent in more than one tribal group that require prompt management attention.

We believe that nonfederal audits performed by independent auditors of the tribal groups can provide IHS with a means to identify recurring problem areas, and ultimately assist the

agency in ensuring proper stewardship of Federal funds. Therefore, we recommend that the Director of IHS:

- routinely perform analyses on the aggregate findings of the nonfederal audit reports conducted of IHS-funded programs in order to identify deficiency areas which may place IHS-funded programs at risk.
- emphasize what the weaknesses are, and provide guidance to the tribal groups on appropriate corrective actions. For example, applicable guidance may be provided by issuing program guidelines and instructions, and holding training workshops. Any corrective actions should be closely monitored to determine their effectiveness.

<p>PHS COMMENTS AND OIG RESPONSE</p>

In its September 28, 1994 comments, PHS concurred with our recommendations in our July 25, 1994 draft report. The PHS indicated that its Office of Management performs an annual summary of all PHS audit activity¹, and publishes the results in a report entitled, Audit Management Information Report. During our review, we determined that PHS' summary of audit findings does not provide the detail necessary to identify specific deficiencies. The PHS report provides the percentage of audit reports within broad categories of audit findings. In contrast, our analysis goes further to identify the frequency of occurrence and amount of questioned costs for specific procedural deficiencies.

To illustrate, for the category of internal controls, PHS' report shows that 27 percent of IHS FY 1992 audit reports included this broad finding. In our more detailed analysis, we divided the category of internal controls into deficiency subcategories, each containing the absolute number of findings and their associated costs. With such additional detail, we believe IHS management will have the information it needs to effectively oversee program funds and educate tribal groups receiving such funds.

The PHS stated that IHS has an education program to provide technical assistance on administrative requirements to grantees and contractors. It also indicated that beginning in FY 1995, it would use PHS' audit finding summary to prepare for and conduct on-site visits of grantees; and to evaluate proposed grants

¹Audits summarized in the PHS report are performed by OIG, other Federal agencies, State auditors, and public accounting firms.

budgets and contract cost proposals. We believe that IHS' education program could be further enhanced by using the type of analysis presented in our report as a method for identifying the focus of preventative and corrective measures. Educational efforts focused on preventing recurring deficiencies will have the greatest impact on improving program administration.

We interpret the agency comments to mean that PHS believes its present method of summarizing audit findings is sufficient for identifying specific procedural problems and building educational programs. We strongly encourage IHS to adopt the detailed type of analysis presented in our report so that it can ensure proper stewardship of future years' program funds.

We would appreciate being advised within 60 days of the status of corrective actions taken or planned on each recommendation. Should you wish to discuss this report, please call me or have your staff contact Michael R. Hill, Assistant Inspector General for Public Health Service Audits, at (301)443-3582.

To facilitate identification, please refer to Common Identification Number A-05-93-00079 in all correspondence relating to this report.

APPENDICES

APPENDIX A

SUMMARY OF FINDINGS BY AUDITOR'S CLASSIFICATION

<u>CODE</u>	<u>FINDING CLASS OR DESCRIPTION</u>	<u>NO. OF FINDINGS</u>	<u>QUESTIONED COSTS</u>
A	<u>INTERNAL CONTROLS</u>		
A1	Supervisory Authorizations Or Reviews	27	\$19,245
A2	Safeguards	23	0
A3	Segregation of Duties	13	0
A4	Reconciliation of Accounting Records	<u>31</u>	<u>0</u>
		94	\$19,245
B	<u>CASH MANAGEMENT</u>		
B1	Excess Cash On Hand	29	\$356,904
B2	Interfund Transactions	10	177,278
B3	Separate Accountability	<u>6</u>	<u>0</u>
		45	\$534,182
C	<u>FINANCIAL REPORTING</u>		
C1	Inaccurate Or Incomplete Reporting	14	\$3,070
C2	Untimely Or Not Submitted Reporting	<u>65</u>	<u>0</u>
		79	\$3,070
D	<u>CASH DISBURSEMENTS</u>		
D1	Source Documentation Of Expenditure	49	\$209,023
D2	Unallowable Costs	<u>36</u>	<u>194,934</u>
		85	\$403,957
E	<u>POLICY AND PROCEDURES</u>		
E1	Accounting	12	\$0
E2	Equipment, Property, and Personnel	<u>4</u>	<u>0</u>
		16	\$0
F	<u>ACCOUNTING SYSTEM</u>		
F1	Accounting System Deficiencies	42	\$5,622
F2	Inaccurate Accounting Transaction	<u>21</u>	<u>18,261</u>
		63	\$23,883
G	<u>PROGRAM AND ADMINISTRATIVE REQUIREMENTS</u>		
G1	General Program & Admin. Requirements	84	\$226,361
G2	Record Keeping	28	0
G3	No Drug-Free Workplace	<u>17</u>	<u>0</u>
		129	\$226,361
TOTAL		<u>511</u>	<u>\$1,210,698</u>

LISTING OF OIG CODES AND DESCRIPTIONS FOR FINDINGS IN REVIEW

COUNT	CIN NUMBER	COUNT	OIG CODE	DESCRIPTION OF FINDING	ACTION AGENCY	FINDING AMOUNT
A = INTERNAL CONTROLS -----						
A1 = SUPERVISORY AUTHORIZATIONS OR REVIEWS						
1	06309-92	1	A1	NO PRIOR APPROVAL FOR EQUIPMENT PURCHASE	07	\$7,672
2	06309-92	2	A1	NO APPROVAL FROM IHS FOR BUDGET MODIFICATION	07	0
3	06491-92	3	A1	TIMESHEETS NOT CODED & APPROVED BY PROGRAM MANAGER	14	0
4	06576-92	4	A1	VENDOR INVOICE PAYMENT NOT AUTHORIZED BY BOARD	14	0
5	06712-92	5	A1	SIGNATURE STAMPS USED ON CHECKS	14	0
6	06765-92	6	A1	NO PRIOR APPROVAL FOR EQUIPMENT PURCHASE	07	3,531
7	17409	7	A1	TRAVEL REPORT AND PAYMENTS NOT REVIEWED	07	46
8	17478	8	A1	UNAPPROVED EXPENDITURE	07	4,800
9	17804	9	A1	UNAUTHORIZED EXPENDITURES	07	1,426
10	17979	10	A1	NO PRIOR APPROVAL FOR EXPENDITURE	07	0
11	18097	11	A1	JOURNAL ENTRIES NOT REVIEWED OR APPROVED	14	0
12	18379	12	A1	PAYROLL TIME SHEETS NOT APPROVED BY SUPERVISOR	14	0
13	18673	13	A1	FEDERAL REPORT NOT REVIEWED	07	0
14	19075	14	A1	BOARD MEETING MINUTES NOT SIGNED	07	0
15	19851	15	A1	TIMESHEETS NOT SIGNED BY EMPLOYEE OR SUPERVISOR	14	0
16	20377	16	A1	NO PRIOR APPROVAL FOR TRAVEL	14	0
17	20377	17	A1	NO PRIOR APPROVAL OF DISBURSEMENTS	14	0
18	20703	18	A1	NO APPROVAL DISPOSITION FIXED ASSETS	07	0
19	20703	19	A1	NO APPROVAL PURCHASE FIXED ASSETS	07	0
20	20703	20	A1	CASH DISBURSEMENT BOOK NOT REVIEWED	07	0
21	20944	21	A1	NO FEDERAL PRIOR APPROVAL FOR PURCHASES	14	0
22	21096	22	A1	NO CONTROLS TO DETECT NONCOMPLIANCE	14	0
23	21398	23	A1	WRITE-OFFS NOT APPROVED BY BOARD	07	0
24	22136	24	A1	NO PROVIDER SIGNATURE ON INVOICE	07	0
25	22136	25	A1	NO AUTHORIZATION INVOICES PRIOR TO PAYMENT	07	0
26	22136	26	A1	REQUIRED NUMBER CHECK SIGNERS MISSING	07	0
27	22136	27	A1	NO PRIOR APPROVAL FOR DATA PROCESSING EQUIPMENT	07	1,770
						<u>\$19,245</u>
A2 = SAFEGUARDS						
28	06491-92	1	A2	NO PROCEDURES FOR ACCESS OR USE OF COMPUTER SYSTEM	14	\$0
29	06663-92	2	A2	INADEQUATE PROPERTY INSURANCE TO REPLACE FIXED ASSETS	14	0
30	17810	3	A2	LACK OF PROPERTY INVENTORY AND REPORT	07	0
31	18673	4	A2	NO FIXED ASSET INVENTORY	07	0
32	18693	5	A2	NO HISTORICAL COST RECORDS FOR ASSETS	14	0
33	18964	6	A2	LACK OF SAFEGUARDS FOR CASH RECEIPTS	07	0
34	18964	7	A2	NO SAFEGUARDS FOR EMPLOYER ID IDENTIFIERS	07	0
35	18964	8	A2	CASH NOT DEPOSITED-POSSIBLY MISSING	07	0
36	20308	9	A2	NO FIXED ASSET RECORDS	07	0
37	20308	10	A2	NO INVENTORY FOR MEDICAL AND OTHER SUPPLIES	07	0
38	20308	11	A2	CASH DEPOSITS NOT MADE OR RECORDED	07	0
39	20485	12	A2	NO FIXED ASSET RECORDS	14	0

LISTING OF OIG CODES AND DESCRIPTIONS FOR FINDINGS IN REVIEW

COUNT	CIN NUMBER	CODE COUNT	OIG CODE	DESCRIPTION OF FINDING	ACTION AGENCY	FINDING AMOUNT
-----	-----	-----	-----	-----	-----	-----
40	20703	13	A2	CASH RECEIPTS NOT DEPOSITED DAILY	07	0
41	20703	14	A2	THIRD PARTY RECEIPTS NOT DEPOSITED DAILY	07	0
42	20703	15	A2	NO REVIEW OF PROPERTY OR INSURANCE	07	0
43	20703	16	A2	CHECKS NOT RESTRICTIVELY ENDORSED	07	0
44	20754	17	A2	NO FIXED ASSETS IN ACCOUNTING RECORDS	14	0
45	20846	18	A2	CASH NOT RECORDED OR DEPOSITED IN TIMELY MANNER	14	0
46	20915	19	A2	NO PETTY CASH CONTROLS	07	0
47	21096	20	A2	INEFFICIENT CASH HANDLING PROCEDURES	14	0
48	21398	21	A2	NO CASH DEPOSIT DOCUMENTATION	07	0
49	22141	22	A2	FIXED ASSETS NOT TAGGED	07	0
50	22233	23	A2	FIXED ASSETS NOT TAGGED	07	0
						<u>\$0</u>
				A3 = SEGREGATION OF DUTIES		

51	06362-92	1	A3	NO SEGREGATION DUTIES-CASH PAYMENTS & ACCOUNTS PAYABLE	14	\$0
52	06362-92	2	A3	NO SEGREGATION OF DUTIES-PAYROLL RECORDS	14	0
53	06576-92	3	A3	NO SEGREGATION OF DUTIES--ISSUING CHECKS	14	0
54	06663-92	4	A3	NO SEGREGATION DUTIES--PETTY CASH & ACCOUNTING RECORDS	14	0
55	18097	5	A3	NO SEGREGATION OF DUTIES--BANK RECONCILIATION	14	0
56	18341	6	A3	NO SEGREGATION OF DUTIES--BOOKKEEPING	07	0
57	18964	7	A3	NO SEGREGATION OF DUTIES--ACCOUNTING SYSTEM	07	0
58	19075	8	A3	NO SEGREGATION OF DUTIES--ACCOUNTING SYSTEM	07	0
59	20308	9	A3	NO SEGREGATION OF DUTIES IN CONTROL STRUCTURE	07	0
60	20755	10	A3	NO SEGREGATION OF DUTIES	14	0
61	20915	11	A3	NO SEGREGATION OF ACCOUNTING DUTIES	07	0
62	21543	12	A3	NO SEGREGATION OF ACCOUNTING DUTIES	14	0
63	22136	13	A3	NO INDEPENDENT CHECK OF INVOICES	07	0
						<u>\$0</u>
				A4 = RECONCILIATION OF ACCOUNTING RECORDS		

64	06301-92	1	A4	NO RECONCILIATION OF GENERAL LEDGER TO COST REPORT	07	\$0
65	06459-92	2	A4	UNTIMELY RECONCILIATION INTERFUND TRANSFER TO GEN LDGR	14	0
66	06491-92	3	A4	NO RECONCILIATION FIXED ASSETS TO GENERAL LEDGER	14	0
67	06663-92	4	A4	NO RECONCILIATION OF GENERAL LEDGER & BANK STATEMENT	14	0
68	06663-92	5	A4	NO RECONCILIATION GENERAL LEDGER TO SUBSIDIARY LEDGERS	14	0
69	18379	6	A4	NO RECONCILIATION ACCOUNTS RECEIVABLE TO GENERAL LEDGE	14	0
70	18673	7	A4	NO RECONCILIATION CASH BALANCE TO BOOK	07	0
71	18673	8	A4	NO RECONCILIATION REIMBURSEMENT REQUEST TO EXPENSES	07	0
72	18964	9	A4	NO RECONCILIATION OF RECEIPTS TO ACCOUNTS RECEIVABLE	07	0
73	19075	10	A4	NO RECONCILIATION OF REPORTS TO ACCOUNTING RECORDS	07	0
74	19320	11	A4	NO RECONCILIATION FED. REPORTS TO ACCOUNTING RECORDS	07	0
75	19779	12	A4	VOUCHER SUBMITTED GREATER THAN CONTRACT AMOUNT	07	0
76	20308	13	A4	NO RECONCILIATION BANK STATEMENT TO BOOKS	07	0
77	20377	14	A4	NO TIMELY RECONCILIATION OF CASH ACCOUNTS	14	0
78	20703	15	A4	NO RECONCILIATION OF OUTSTANDING ACCOUNTS PAYABLE	07	0
79	20703	16	A4	BANK RECONCILIATION NOT PERFORMED MONTHLY	07	0

LISTING OF OIG CODES AND DESCRIPTIONS FOR FINDINGS IN REVIEW

COUNT	CIN NUMBER	CODE COUNT	OIG CODE	DESCRIPTION OF FINDING	ACTION AGENCY	FINDING AMOUNT
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80	20804	17	A4	NO INDEPENDENT REVIEW-BANK RECONCILIATION	14	0
81	20892	18	A4	NO RECONCILIATION BANK ACCOUNT TO GENERAL LEDGER	14	0
82	20944	19	A4	UNTIMELY RECONCILIATION GENERAL LEDGER TO SUB. RECORDS	14	0
83	20944	20	A4	NO RECONCILIATION GENERAL LEDGER TO FEDERAL REPORT	14	0
84	21096	21	A4	NO RECONCILIATION COSTS CLAIMED TO GENERAL LEDGER	14	0
85	21096	22	A4	NO MONTHLY BANK RECONCILIATION	14	0
86	21317	23	A4	PAYROLL DEDUCTIONS NOT RECONCILED	07	0
87	21398	24	A4	NO RECONCILIATION GENERAL LEDGER TO SUBSIDIARY RECORDS	07	0
88	21535	25	A4	INVENTORY INCOMPLETE, NOT RECONCILED TO GENERAL LEDGER	14	0
89	21543	26	A4	NO TIMELY RECONCILIATION OF BANK STATEMENTS	14	0
90	21913	27	A4	NO MONTHLY RECONCILIATION BALANCE SHEET ACCOUNTS	14	0
91	21913	28	A4	NO RECONCILIATION GENERAL LEDGER LIABILITY ACCOUNTS	14	0
92	22032	29	A4	NO RECONCILIATION OF SUBMITTED TO APPROVED VOUCHERS	07	0
93	22032	30	A4	NO RECONCILIATION ACTUAL REVENUE TO APPROVED REVENUE	07	0
94	22270	31	A4	INVENTORY UNTIMELY AND NOT RECONCILED	14	0
						\$0

LISTING OF OIG CODES AND DESCRIPTIONS FOR FINDINGS IN REVIEW

COUNT	CIN NUMBER	CODE COUNT	OIG CODE	DESCRIPTION OF FINDING	ACTION AGENCY	FINDING AMOUNT
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B = CASH MANAGEMENT						

B1 = EXCESS CASH ON HAND						

95	06088-92	1	B1	EXCESS CASH DRAW DOWNS	07	\$0
96	06343-92	2	B1	EXCESS CASH DRAW DOWNS	07	0
97	06793-92	3	B1	EXCESS CASH DRAW DOWNS	07	0
98	06819-92	4	B1	EXCESS CASH DRAW DOWNS	07	0
99	17174	5	B1	EXCESS CASH DRAW DOWNS	07	0
100	17478	6	B1	EXCESS CASH DRAW DOWNS	07	0
101	18169	7	B1	EXCESS CASH DRAW DOWNS	07	0
102	18175	8	B1	EXCESS CASH DRAW DOWNS	07	13,871
103	18379	9	B1	EXCESS CASH DRAW DOWNS	11	0
104	18495	10	B1	DUPLICATE FY/87 ADVANCE - FUNDS TO BE RETURNED TO FED	07	140,671
105	18999	11	B1	EXCESS CASH DRAW DOWNS	07	0
106	19601	12	B1	EXCESS CASH DRAW DOWNS	07	0
107	19779	13	B1	EXCESS CASH DRAW DOWNS	07	41,404
108	20075	14	B1	EXCESS CASH DRAW DOWNS	07	0
109	20076	15	B1	EXCESS CASH DRAW DOWNS	07	0
110	20300	16	B1	EXCESS CASH DRAW DOWNS	07	0
111	20769	17	B1	CASH MANAGEMENT - RETURN FUNDS "DUE TO FED"	07	3,713
112	20944	18	B1	EXCESS CASH DRAW DOWNS	07	0
113	20944	19	B1	EXCESS CASH DRAW DOWNS	11	0
114	20945	20	B1	EXCESS CASH DRAW DOWNS	07	0
115	20979	21	B1	EXCESS CASH DRAW DOWNS	07	0
116	20996	22	B1	UNOBLIGATED FUNDS FROM PRIOR YEARS	07	2,885
117	21251	23	B1	EXCESS CASH DRAW DOWNS	07	0
118	21317	24	B1	PROGRAM PERIOD ENDED: RESIDUAL CASH NOT RETURNED	07	1,417
119	21654	25	B1	EXCESS CASH DRAW DOWNS	07	0
120	21763	26	B1	DUE TO FUNDS RETURNED TO FED	07	5,859
121	21818	27	B1	DUPLICATE FY/87 ADVANCE - FUNDS TO BE RETURNED TO FED	07	140,671
122	21925	28	B1	PRIOR YEAR UNOBLIGATED BALANCE	07	6,413
123	22136	29	B1	EXCESS CASH DRAW DOWNS	07	0
						\$356,904
B2 = INTERFUND TRANSACTIONS						

124	06459-92	1	B2	INTERFUND LOANS OF CONTRACT FUNDS	14	\$0
125	18097	2	B2	NO POLICIES ON INTERFUND TRANSACTIONS	14	0
126	18964	3	B2	INTERFUND TRANSFERS-BORROWING	11	0
127	19601	4	B2	INTERFUND TRANSFERS	07	94,000
128	20592	5	B2	NO AGREEMENT--INTERFUND RECEIVABLES AND PAYABLES	14	0
129	21654	6	B2	UNALLOWABLE INTERFUND TRANSFERS	07	61,895
130	21764	7	B2	DUE TO/DUE FROM ACCOUNTS NOT BALANCED	14	0
131	22142	8	B2	INTERFUND RECEIVABLES AND PAYABLES NOT RECONCILED TIME	14	0

LISTING OF OIG CODES AND DESCRIPTIONS FOR FINDINGS IN REVIEW

COUNT	CIN NUMBER	CODE COUNT	OIG CODE	DESCRIPTION OF FINDING	ACTION AGENCY	FINDING AMOUNT
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132	22177	9	B2	GRANT FUNDS TRANSFERRED AMONG PROGRAMS	07	21,383
133	22233	10	B2	NO CONTROLS OVER INTERFUND TRANSFERS	14	0
						\$177,278

B3 = SEPARATE ACCOUNTABILITY

134	19601	1	B3	DETERMINE IF IHS FUNDS IN PROPER ACCOUNT	07	\$0
135	20377	2	B3	INTEREST ON ADVANCES NOT USED ON PROGRAM	07	0
136	20944	3	B3	LETTER OF CREDIT AGREEMENT NOT ACCOUNTED SEPARATELY	14	0
137	21096	4	B3	GRANTS NOT SEPARATED ON GENERAL LEDGER	14	0
138	21381	5	B3	NO REQUIRED SEPARATE CASH ACCOUNT	07	0
139	21543	6	B3	FUNDS CO-MINGLED	14	0
						\$0

LISTING OF OIG CODES AND DESCRIPTIONS FOR FINDINGS IN REVIEW

COUNT	CIN NUMBER	CODE COUNT	OIG CODE	DESCRIPTION OF FINDING	ACTION AGENCY	FINDING AMOUNT
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C = FINANCIAL REPORTING						

C1 = INACCURATE OR INCOMPLETE REPORTING						

140	06459-92	1	C1	REPORTS DO NOT AGREE WITH ACTUAL EXPENDITURES	14	\$0
141	06772-92	2	C1	NO EVIDENCE OF REQUIRED TOPICS IN QUARTERLY REPORTS	07	0
142	17294	3	C1	NO AGREEMENT FINAL REPORT AND GENERAL LEDGER	07	0
143	17478	4	C1	INACCURATE FEDERAL FINANCIAL REPORT	07	0
144	17810	5	C1	ANNUAL REPORT INCOMPLETE	07	0
145	18964	6	C1	FINANCIAL REPORTS INACCURATE	07	0
146	19973	7	C1	ACCOUNTING RECORDS DO NOT AGREE WITH REPORTED COSTS	07	2,705
147	20308	8	C1	INACCURATE PAYROLL TAX REPORTS	07	0
148	20548	9	C1	INACCURATE FEDERAL FINANCIAL STATUS REPORT	07	0
149	21328	10	C1	REPORTED COSTS EXCEED ACTUAL COSTS	07	165
150	21777	11	C1	PAYMENT VOUCHERS INACCURATE	07	0
151	21777	12	C1	INCOMPLETE "REPORT TO INDIAN PEOPLE"	07	0
152	22136	13	C1	PROGRESS REPORTS NOT DATED	07	0
153	22141	14	C1	COSTS CLAIMED DO NOT AGREE WITH GENERAL LEDGER	07	200
						\$3,070
C2 = UNTIMELY OR NOT SUBMITTED REPORTING						

154	06260-92	1	C2	QUARTERLY REPORTS NOT SUBMITTED	07	\$0
155	06301-92	2	C2	SUBRECIPIENTS DID NOT SUBMIT EQUIPMENT REPORT	07	0
156	06301-92	3	C2	UNTIMELY FILING OF COST REPORTS	07	0
157	06309-92	4	C2	UNTIMELY FILING OF MONTHLY INVOICES	07	0
158	06362-92	5	C2	UNTIMELY FEDERAL REPORTING	07	0
159	06438-92	6	C2	UNTIMELY FSR AND FEDERAL CASH TRANSACTION REPORTS	07	0
160	06491-92	7	C2	UNTIMELY QUARTERLY NARRATIVE REPORTS	14	0
161	06521-92	8	C2	UNTIMELY FILING QUARTERLY NARRATIVE REPORTS	07	0
162	06547-92	9	C2	UNTIMELY FILING QUARTERLY AND FINAL NARRATIVE REPORTS	07	0
163	06547-92	10	C2	UNTIMELY FILING OF PUBLIC VOUCHERS FOR PURCHASES	07	0
164	06585-92	11	C2	UNTIMELY FINANCIAL REPORTS SUBMITTED	07	0
165	06585-92	12	C2	UNTIMELY FSR, DESCRIPTIONS AND RESUMES REPORT	07	0
166	06663-92	13	C2	UNTIMELY MONTHLY EXPENDITURE REPORTS	07	0
167	06712-92	14	C2	UNTIMELY PROGRAM PROGRESS REPORTS SUBMITTED	14	0
168	06712-92	15	C2	UNTIMELY QUARTERLY FINANCIAL REPORTS	14	0
169	06772-92	16	C2	UNTIMELY FILING OF FEDERAL REPORTS	07	0
170	06777-92	17	C2	NO ANNUAL NARRATIVE REPORT FILED AS REQUIRED	07	0
171	06777-92	18	C2	UNTIMELY QUARTERLY FINANCIAL REPORTS	07	0
172	06782-92	19	C2	UNTIMELY FILING MONTHLY INVOICES	07	0
173	06802-92	20	C2	UNTIMELY FEDERAL CASH TRANSACTION AND FSR REPORTS	14	0
174	06848-92	21	C2	UNTIMELY QUARTERLY FEDERAL NARRATIVE REPORTS	07	0
175	17288	22	C2	UNTIMELY FILING ANNUAL NARRATIVE REPORT	07	0
176	17810	23	C2	UNTIMELY PAYMENT MANAGEMENT REPORT	14	0
177	17810	24	C2	REPORT TO INDIAN PEOPLE NOT PREPARED	07	0
178	17810	25	C2	UNTIMELY FILING FEDERAL REPORTS	07	0

LISTING OF OIG CODES AND DESCRIPTIONS FOR FINDINGS IN REVIEW

CIN		CODE		OIG		ACTION	FINDING
COUNT	NUMBER	COUNT	CODE		DESCRIPTION OF FINDING	AGENCY	AMOUNT
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179	17979	26	C2		UNTIMELY FEDERAL FINANCIAL REPORTS	07	0
180	18341	27	C2		UNTIMELY FILING MONTHLY REPORTS	07	0
181	18964	28	C2		UNTIMELY FILING OF QUARTERLY REPORT	07	0
182	19320	29	C2		UNTIMELY FILING FEDERAL FINANCIAL REPORTS	07	0
183	19997	30	C2		UNTIMELY SUBMISSION OF VOUCHERS AND REPORTS	07	0
184	20075	31	C2		UNTIMELY FINANCIAL REPORTS	07	0
185	20076	32	C2		UNTIMELY FINANCIAL REPORTS	07	0
186	20308	33	C2		UNTIMELY FEDERAL REPORTS	07	0
187	20308	34	C2		UNTIMELY SUBMISSION OF AUDIT	07	0
188	20550	35	C2		UNTIMELY QUARTERLY NARRATIVE REPORT	07	0
189	20591	36	C2		UNTIMELY MONTHLY PUBLIC VOUCHER	07	0
190	20649	37	C2		QUARTERLY AND FINAL REPORT NOT FILED	07	0
191	20703	38	C2		UNTIMELY SUBMISSION OF VOUCHERS	07	0
192	20703	39	C2		UNTIMELY QUARTERLY PERFORMANCE REPORT	07	0
193	20704	40	C2		UNTIMELY CLINIC CONSTRUCTION REPORTS	07	0
194	20755	41	C2		UNTIMELY FEDERAL FINANCIAL REPORTS	07	0
195	20769	42	C2		UNTIMELY FEDERAL FINANCIAL REPORT	07	0
196	20944	43	C2		UNTIMELY SUBMISSION NARRATIVE REPORT	07	0
197	20945	44	C2		UNTIMELY FINANCIAL STATUS REPORTS	07	0
198	20945	45	C2		UNTIMELY SUBMISSION REQUIRED REPORTS	07	0
199	20994	46	C2		UNTIMELY SUBMISSION FEDERAL FINANCIAL REPORTS	07	0
200	21008	47	C2		NO FEDERAL REPORT FILED	07	0
201	21096	48	C2		UNTIMELY FEDERAL REPORTS FILED	14	0
202	21251	49	C2		UNTIMELY MENTAL HEALTH STATISTICAL REPORT	07	0
203	21251	50	C2		UNTIMELY PROGRAM INCOME REPORT	07	0
204	21251	51	C2		ANNUAL "REPORT TO INDIAN PEOPLE" UNTIMELY	07	0
205	21251	52	C2		UNTIMELY PUBLIC VOUCHERS FILED	07	0
206	21381	53	C2		UNTIMELY FEDERAL FINANCIAL REPORT	14	0
207	21496	54	C2		UNTIMELY FEDERAL REPORTS	14	0
208	21497	55	C2		UNTIMELY FEDERAL FINANCIAL REPORTS	07	0
209	21737	56	C2		UNTIMELY FINANCIAL REPORTING	07	0
210	21763	57	C2		MONTHLY REPORT REQUIREMENT NOT MET	07	0
211	21763	58	C2		UNTIMELY FEDERAL REPORTS	07	0
212	21763	59	C2		UNTIMELY FEDERAL REPORTING	07	0
213	21777	60	C2		UNTIMELY FEDERAL REPORTS	07	0
214	22136	61	C2		UNTIMELY FINANCIAL STATUS REPORTS	07	0
215	22136	62	C2		UNTIMELY SUBMISSION OF INVOICES	07	0
216	22136	63	C2		FEDERAL CASH TRANSACTION REPORT NOT FILED	07	0
217	22142	64	C2		UNTIMELY FEDERAL FINANCIAL REPORTS	14	0
218	22233	65	C2		UNTIMELY FEDERAL REPORTS	07	0

LISTING OF OIG CODES AND DESCRIPTIONS FOR FINDINGS IN REVIEW

COUNT	CIN NUMBER	CODE COUNT	OIG CODE	DESCRIPTION OF FINDING	ACTION AGENCY	FINDING AMOUNT
D = CASH DISBURSEMENTS						

D1 = SOURCE DOCUMENTATION OF EXPENDITURE						

219	06301-92	1	D1	INADEQUATE PAYROLL DOCUMENTS, NO REVIEW VACATION ACCRU	07	\$0
220	06309-92	2	D1	NO SUPPORTING DOCUMENTS FOR EXPENDITURES	07	60
221	06438-92	3	D1	INCOMPLETE DOCUMENTATION ON SUBCONTRACTOR AGREEMENT	07	0
222	06438-92	4	D1	INCOMPLETE DOCUMENTATION FOR LEASE VEHICLE DISBURSEMEN	07	0
223	06782-92	5	D1	LACK OF SUPPORT FOR COSTS CLAIMED--AUDITEE CONTACT IHS	07	0
224	06830-92	6	D1	LACK OF SUPPORTING DOCUMENTATION FOR EXPENDITURE	07	3,652
225	17294	7	D1	NO CHECK DOCUMENTATION	07	540
226	17463	8	D1	LACK OF DOCUMENTATION FOR TRAVEL	07	7,601
227	17463	9	D1	LACK OF DOCUMENTS FOR EXPENDITURES	14	0
228	17478	10	D1	INADEQUATE SUPPORT FOR ACCOUNTS PAYABLE	07	0
229	17478	11	D1	UNSUPPORTED COST	07	61,936
230	17804	12	D1	PAYROLL NOT SUPPORTED OR APPROVED	07	43,645
231	17804	13	D1	INADEQUATE SUPPORT FOR EXPENDITURES	07	800
232	17810	14	D1	INADEQUATE TRAVEL DOCUMENTATION	07	1,819
233	17979	15	D1	NO SUPPORT FOR CASH DISBURSEMENT	07	641
234	17979	16	D1	TRAVEL NOT PROPERLY DOCUMENTED	14	0
235	17979	17	D1	NO SUPPORTING DOCUMENTS FOR EXPENDITURE	07	1,371
236	17979	18	D1	INADEQUATE DOCUMENTATION FOR CASH DISBURSEMENTS	14	0
237	18964	19	D1	COST ALLOCATIONS BETWEEN PROGRAMS NEED IMPROVEMENT	07	0
238	18964	20	D1	INADEQUATE DOCUMENTATION FOR BILLINGS	07	0
239	19075	21	D1	NO RECEIPTS FOR TRAVEL REIMBURSEMENT	07	1,459
240	19379	22	D1	INADEQUATE SUPPORT FOR DOCUMENTS	07	562
241	19449	23	D1	UNSUPPORTED TRAVEL COSTS	07	166
242	19913	24	D1	UNSUPPORTED EXPENDITURE	07	384
243	20048	25	D1	UNSUPPORTED TRAVEL EXPENDITURES	07	67
244	20075	26	D1	INADEQUATE SUPPORT FOR DISBURSEMENTS	07	9,245
245	20215	27	D1	INADEQUATE DOCUMENTATION FOR TRAVEL	07	510
246	20308	28	D1	INADEQUATE SUPPORTING DOCUMENTS FOR TRAVEL	07	1,618
247	20702	29	D1	MISSING SUPPORT FOR DISBURSEMENTS	07	31,812
248	20702	30	D1	INADEQUATE SUPPORT FOR PURCHASES	07	10,671
249	20703	31	D1	INADEQUATE SUPPORT FOR PURCHASES	07	10,431
250	20703	32	D1	INADEQUATE SUPPORT FOR DISBURSEMENTS	07	3,888
251	20755	33	D1	INADEQUATE SUPPORT FOR EXPENDITURES	07	6,541
252	20781	34	D1	INADEQUATE SUPPORT FOR EXPENDITURES	14	0
253	20944	35	D1	INADEQUATE SUPPORT FOR EXPENDITURES	07	1,539
254	20945	36	D1	INADEQUATE SUPPORT FOR TRAVEL EXPENDITURES	07	0
255	21096	37	D1	UNSUPPORTED PAYROLL COSTS	14	0
256	21096	38	D1	COSTS NOT SUPPORTED BY FINANCIAL SYSTEM	14	0
257	21096	39	D1	NO ACTIVITY SUPPORT FOR PAYROLL COSTS	14	0
258	21096	40	D1	IN-KIND MATCHES NOT SUPPORTED	14	0
259	21096	41	D1	LACK OF SUPPORT FOR EXPENSE ALLOCATIONS	14	0
260	21228	42	D1	INADEQUATE SUPPORT FOR DISBURSEMENTS	07	112
261	21317	43	D1	UNSUPPORTED TRAVEL EXPENDITURES	07	4,721

LISTING OF OIG CODES AND DESCRIPTIONS FOR FINDINGS IN REVIEW

COUNT	CIN NUMBER	CODE COUNT	OIG CODE	DESCRIPTION OF FINDING	ACTION AGENCY	FINDING AMOUNT
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E = POLICY AND PROCEDURES						

E1 = ACCOUNTING						

304	06491-92	1	E1	NO POLICIES TO REFLECT PAYROLL PRACTICES	14	\$0
305	18379	2	E1	NO JOURNAL ENTRY OR POSTING PROCEDURES	14	0
306	18673	3	E1	CASH DISBURSEMENT PROCEDURES NEEDED	07	0
307	18999	4	E1	NO DOCUMENTED COST ALLOCATION PROCEDURES	07	0
308	18999	5	E1	NO ACCOUNTING POLICY AND PROCEDURES MANUAL	07	0
309	20308	6	E1	NO SYSTEM OF INTERNAL CONTROLS	07	0
310	20377	7	E1	NO FORMAL ACCOUNTING SYSTEM POLICY MANUAL	14	0
311	21398	8	E1	NO PAST DUE COLLECTION PROCEDURES	07	0
312	21449	9	E1	NO ACCOUNTING POLICY AND PROCEDURES MANUAL	14	0
313	21614	10	E1	PROCUREMENT POLICY NOT ADHERED TO	07	0
314	21674	11	E1	NO ACCOUNTING POLICY AND PROCEDURES MANUAL	14	0
315	22233	12	E1	NO ACCOUNTING RECORD CONTROLS	14	0
						\$0
E2 = EQUIPMENT, PROPERTY, AND PERSONNEL						

316	06712-92	1	E2	LACK OF PERSONNEL POLICIES	14	\$0
317	17810	2	E2	NO WRITTEN PROCEDURES ON GOVERNMENT PROPERTY	07	0
318	20377	3	E2	ASSETS NOT CAPITALIZED PER POLICY	14	0
319	21777	4	E2	NO PROPERTY CONTROL SYSTEM MANUAL	07	0
						\$0

LISTING OF OIG CODES AND DESCRIPTIONS FOR FINDINGS IN REVIEW

COUNT	CIN NUMBER	CODE COUNT	OIG CODE	DESCRIPTION OF FINDING	ACTION AGENCY	FINDING AMOUNT
F = ACCOUNTING SYSTEM						

F1 = ACCOUNTING SYSTEM DEFICIENCIES						

320	06260-92	1	F1	NO VERIFICATION OF COMPUTER ENTERED PRICES IN PHARMACY	07	\$0
321	06343-92	2	F1	IMPROPER RECOGNITION PATIENT REVENUE & ACCOUNTS RECEIV	07	0
322	06491-92	3	F1	UNTIMELY ENCUMBRANCE AMOUNTS COMMIT PAYMENT SERVICES	14	0
323	06712-92	4	F1	YEAR END ADJUSTMENTS-DEPOSITS NOT RECORDED PROPER ACCO	14	0
324	06765-92	5	F1	FORFEITURES UNDER PENSION PLAN INCORRECTLY ALLOCATED	14	0
325	06813-92	6	F1	COSTS CLAIMED NOT RECORDED GENERAL LEDGER--UNALLOWABLE	07	619
326	06813-92	7	F1	COSTS CLAIMED NOT RECORDED GENERAL LEDGER--UNALLOWABLE	07	0
327	17608	8	F1	ACCOUNTABILITY FOR TRAVEL ADVANCES	07	0
328	17804	9	F1	OVEREXPENDED BUDGET	07	0
329	18379	10	F1	GENERAL LEDGER: NO SEGREGATION OF CASH ACCOUNTS	14	0
330	18673	11	F1	THREE PROGRAMS NOT INCLUDED IN CONTROL STRUCTURE	07	0
331	19417	12	F1	INADEQUATE ACCOUNTING SYSTEM	07	0
332	19778	13	F1	NO BALANCE SHEET FROM ACCOUNTING SYSTEM	07	0
333	20048	14	F1	NO APPROVAL TO REPROGRAM UNOBLIGATED FUNDS	07	1,844
334	20308	15	F1	PETTY CASH NOT ACCOUNTED FOR IN ACCOUNTING RECORDS	07	0
335	20377	16	F1	ACCRUAL BASIS NOT USED CONSISTENTLY	14	0
336	20377	17	F1	INADEQUATE PATIENT BILLING SYSTEM	14	0
337	20377	18	F1	IMPROPER TREATMENT THIRD PARTY INSURERS	07	0
338	20591	19	F1	OVEREXPENDED BUDGET	07	0
339	20703	20	F1	DIFFERENCES IN ACTUAL & BUDGET NOT INVESTIGATED	07	0
340	20703	21	F1	NO AGING OR REVIEW OF ACCOUNTS RECEIVABLE	07	0
341	20703	22	F1	INADEQUATE FUND ACCOUNTING SYSTEM	07	0
342	20703	23	F1	NO MONTHLY STATEMENTS OF RECEIPTS AND EXPENDITURES	07	0
343	20755	24	F1	GENERAL LEDGER NOT PROPERLY MAINTAINED	14	0
344	20755	25	F1	NO GENERAL FIXED ASSET ACCOUNT IN ACCOUNTING SYSTEM	14	0
345	20846	26	F1	CONTRACTUAL ADJUSTMENTS RECORDED CASH BASIS	14	0
346	20846	27	F1	INACCURATE PATIENT RECEIVABLES	14	0
347	20846	28	F1	NO PROPER AGING OF RECEIVABLES	14	0
348	20892	29	F1	DETAILS OF RECEIVABLES NOT AVAILABLE	07	0
349	21096	30	F1	INDIRECT COST NOT ALLOCATED CONSISTENTLY	14	0
350	21096	31	F1	PAYROLL ALLOCATIONS INCONSISTENT	14	0
351	21096	32	F1	INADEQUATELY DESIGNED ACCOUNTING SYSTEM	14	0
352	21096	33	F1	EXPENDITURES EXCEED GRANT AWARDS	14	0
353	21251	34	F1	EXPENDITURES NOT WITHIN BUDGET	07	3,159
354	21317	35	F1	OVEREXPENDED BUDGET	07	0
355	21381	36	F1	EXPENDITURES EXCEED AWARD/BUDGET	14	0
356	21398	37	F1	NO LISTING OF DONATIONS	07	0
357	21398	38	F1	FIXED ASSET DEPRECIATION NOT RECORDED	07	0
358	21543	39	F1	INADEQUATE ACCOUNTING SYSTEM	14	0

LISTING OF OIG CODES AND DESCRIPTIONS FOR FINDINGS IN REVIEW

COUNT	CIN NUMBER	CODE COUNT	OIG CODE	DESCRIPTION OF FINDING	ACTION AGENCY	FINDING AMOUNT
-----	-----	-----	-----	-----	-----	-----
G = PROGRAM AND ADMINISTRATIVE REQUIREMENTS						

G1 = GENERAL PROGRAM & ADMINISTRATIVE REQUIREMENTS						

383	06260-92	1	G1	NO PROCEDURES-VERIFYING PATIENT BILLING ADDRESSES	07	\$0
384	06309-92	2	G1	POSSIBLE ERROR IN CONTRACT--RECOMMEND IHS BE CONTACTED	07	0
385	06309-92	3	G1	QUESTION MATCHING REQUIREMENTS MET: CONTRACT REQUIREME	07	226,250
386	06438-92	4	G1	NO ADMIN CONTROLS SUBRECIPIENTS AUDITED: REQUIREMENT	07	0
387	06438-92	5	G1	NO ADMINISTRATIVE CONTROLS: DEFICIENT SUBCONTRACT REPO	07	0
388	06438-92	6	G1	CONTRACT REQUIREMENTS NOT MET-PERSONNEL CLASSIFICATION	07	0
389	06459-92	7	G1	DEFICIT: PROVIDE IHS PLANS FOR REVENUE TO OPERATE	14	0
390	06459-92	8	G1	AMEND ELIGIBILITY POLICIES ON RECIPIENT AWARDS	14	0
391	06576-92	9	G1	BOARD MEMBERS NOT FILING EXPENSE REIMBURSEMENT PROPERL	14	0
392	06585-92	10	G1	INADEQUATE DOCUMENTATION OF SERVICE IN CASE FILES	07	0
393	06585-92	11	G1	INSUFFICIENT DOCUMENT SERVICES PROVIDED: GRANT REQUIRE	07	0
394	06585-92	12	G1	INSUFFICIENT DOCUMENT PROVIDED CONTRACT SERVICES	07	0
395	06585-92	13	G1	INSUFFICIENT DOCUMENTATION ON CLIENTS COUNSELED	07	0
396	06585-92	14	G1	NO WRITTEN AFFILIATION AGREEMENTS: CONTRACT REQUIREMEN	07	0
397	06793-92	15	G1	INCOMPLETE PATIENT FILES MAINTAINED	07	0
398	06813-92	16	G1	PROGRAM DID NOT CONDUCT PRESENTATIONS-CONTRACT REQUIRE	07	0
399	06813-92	17	G1	SEVERAL CONTRACT OBJECTIVES NOT MET-COORDINATE WITH IH	07	0
400	06819-92	18	G1	LACK ADMIN CONTROLS TO EVALUATE HEALTH CARE CLAIMED	07	0
401	06819-92	19	G1	HEALTH CARE CLAIMS DENIED INCORRECTLY-PROGRAM SERVICES	07	0
402	17174	20	G1	LACKING DOCUMENTATION-WATER & SANITATION CONTRACTS	07	0
403	17266	21	G1	AUDIT DOES NOT MEET OMB A-128	14	0
404	17810	22	G1	INSUFFICIENT DOCUMENTATION ON ELIGIBILITY	07	0
405	17810	23	G1	INADEQUATE INSURANCE COVERAGE	07	0
406	17979	24	G1	NO DOCUMENTATION ON PARTICIPANT ELIGIBILITY	07	0
407	18097	25	G1	PAYROLL TAX REGULATIONS & REPORTING REQUIREMENTS NOT M	14	0
408	18286	26	G1	ELIGIBILITY REQUIREMENTS NOT MET	07	0
409	18330	27	G1	FEDERAL FUNDS NOT IN INTEREST BEARING ACCOUNT	07	0
410	18379	28	G1	INACCURATE PROPERTY MANAGEMENT RECORDS	14	0
411	18673	29	G1	NO COST ALLOCATION PLAN	14	0
412	18888	30	G1	REQUIRED NUMBER HOME VISITS NOT MET	07	0
413	18964	31	G1	COMMON EXPENSE NOT REIMBURSED TIMELY	07	0
414	18964	32	G1	THIRD PARTY BILLING NOT TIMELY	07	0
415	18964	33	G1	TAX EXEMPT STATUS NOT ADHERED TO	07	0
416	19320	34	G1	NO CENTRAL FILING SYSTEM	07	0
417	19417	35	G1	NO FIRE AND HEALTH INSPECTIONS	07	0
418	19417	36	G1	NO TRAINING AND CAREER DEVELOPMENT PLAN	07	0
419	19417	37	G1	NO FIRE EXTINGUISHER INSPECTION OBTAINED	07	0
420	19601	38	G1	NO PROCEDURES TO DRAW CASH TO PROPER ACCOUNT	07	0
421	19778	39	G1	NO SAFETY INSPECTION	07	0
422	19778	40	G1	NO FIRE EXTINGUISHER INSPECTION	07	0
423	19778	41	G1	NO TRAINING AND CAREER DEVELOPMENT PLAN	07	0
424	19912	42	G1	THIRD PARTY BILLINGS IN ARREARS	07	0

LISTING OF OIG CODES AND DESCRIPTIONS FOR FINDINGS IN REVIEW

COUNT	CIN NUMBER	CODE COUNT	OIG CODE	DESCRIPTION OF FINDING	ACTION AGENCY	FINDING AMOUNT
-----	-----	-----	-----	-----	-----	-----
425	20048	43	G1	TRAVEL ADVANCES-NONADHERENCE TO POLICY	07	0
426	20308	44	G1	EXCESS TRAVEL ADVANCES NOT RETURNED	07	0
427	20308	45	G1	BOARD MINUTES NOT PREPARED OR APPROVED	07	0
428	20377	46	G1	NO COLLECTION PROCEDURES FOR PAST DUE ACCOUNTS	14	0
429	20377	47	G1	INADEQUATE COLLECTION NON-INSURANCE FEES	14	0
430	20377	48	G1	INADEQUATE SUPPORT OF INCOME ELIGIBILITY	07	0
431	20377	49	G1	SLIDING FEE SCALE REQUIREMENTS NOT MET	14	0
432	20485	50	G1	DISCOUNT NOT TAKEN ON PURCHASE	07	25
433	20485	51	G1	THIRD PARTY BILLINGS NOT TIMELY	07	0
434	20591	52	G1	NEED EVIDENCE GRANT IS NOT FUNDING DEFICIT	07	0
435	20703	53	G1	CHECKS WRITTEN TO EMPLOYEES	07	0
436	20703	54	G1	LOANS MADE TO OFFICERS AND EMPLOYEES	07	0
437	20769	55	G1	INVOICES NOT DELIVERED INITIALLY TO ACCOUNTING	07	0
438	20769	56	G1	NO CLIENT SIGNATURES OBTAINED	07	0
439	20769	57	G1	NO WRITTEN AFFILIATION AGREEMENT	07	0
440	20846	58	G1	POOR ESTIMATES ON BAD DEBTS	14	0
441	20892	59	G1	UNTIMELY LIQUIDATION OF TRAVEL ADVANCES	14	0
442	20915	60	G1	NO MANAGEMENT AWARENESS OF FEDERAL LAWS & REGULATIONS	07	0
443	20915	61	G1	NO BUDGET SUBMITTED FOR PETTY CASH	07	0
444	20944	62	G1	UNTIMELY CLOSEOUT OF FEDERAL ACCOUNTING RECORDS	14	0
445	20945	63	G1	PERSONNEL LEAVE NOT ACCURATE	07	0
446	20994	64	G1	NO PROCEDURES FOR ELIGIBILITY DETERMINATION	07	0
447	21096	65	G1	GRANT FUNDS NOT RETURNED AFTER EXPIRATION OF GRANT	14	0
448	21096	66	G1	NO POLICY FOR HATCH ACT	14	0
449	21096	67	G1	NO CONTROLS FOR ELIGIBILITY	14	0
450	21096	68	G1	NO RESPONSE TO GOVERNMENT MONITORED FINDINGS	14	0
451	21096	69	G1	BOARD OF DIRECTORS HAVE NO FINANCIAL EXPERTISE	14	0
452	21096	70	G1	NO WRITTEN AFFIRMATIVE ACTION PLAN	14	0
453	21251	71	G1	NO EVALUATION COMMUNITY HEALTH PROGRAM	07	0
454	21251	72	G1	NO SMOKE FREE ENVIRONMENTAL COMMITTEE	07	0
455	21251	73	G1	NO REQUIRED COUNSELOR TRAINING	07	0
456	21251	74	G1	NO EVALUATION OF JOB PERFORMANCE	07	0
457	21251	75	G1	EDUCATION REQUIREMENT OF DIRECTOR NOT MET	07	0
458	21317	76	G1	NO EMPLOYEE PERFORMANCE STANDARDS	07	0
459	21317	77	G1	NEED EVIDENCE GRANT IS NOT FUNDING DEFICIT	07	0
460	21317	78	G1	COUNSELOR TRAINING REQUIREMENT NOT MET	07	0
461	21535	79	G1	NO MONITORING OF DAVIS-BACON ACT	07	0
462	21691	80	G1	REQUIRED CERTIFICATIONS LACKING	07	0
463	21763	81	G1	SUBSTANCE ABUSE SESSIONS NOT MET	07	0
464	21763	82	G1	OUTPATIENT CASELOADS NOT MAINTAINED	07	0
465	21763	83	G1	REQUIRED CASE CONFERENCES NOT PERFORMED	07	0
466	21925	84	G1	TRAVEL ADVANCE POLICY NOT ADHERED TO	07	86
						<u>\$226,361</u>
G2 = RECORD KEEPING						

467	06260-92	1	G2	INCOMPLETE PERSONNEL FILES	07	\$0
468	06585-92	2	G2	NO DOCUMENTATION TRAINING REPORT HAD BEEN SUBMITTED	07	0

LISTING OF OIG CODES AND DESCRIPTIONS FOR FINDINGS IN REVIEW

COUNT	CIN NUMBER	COUNT	OIG CODE	DESCRIPTION OF FINDING	ACTION AGENCY	FINDING AMOUNT
-----	-----	-----	-----	-----	-----	-----
469	06712-92	3	G2	SUPPORT NOT ATTACHED TO CHECK COPY	14	0
470	06772-92	4	G2	EMPLOYEE FILES DID NOT CONTAIN NECESSARY DOCUMENTS	07	0
471	06827-92	5	G2	LACK OF CONTROLS FOR MEDICAL SERVICE BILLING RECORDS	07	0
472	17810	6	G2	EQUIPMENT REPORT NOT PREPARED	07	0
473	18068	7	G2	FEDERAL REPORTS NOT ON FILE	14	0
474	18964	8	G2	INADEQUATE DOCUMENTATION BID PROPOSALS	07	0
475	19320	9	G2	INVENTORY RECORDS NOT UP TO DATE	07	0
476	20048	10	G2	MONTHLY INVOICES NOT RETAINED	07	0
477	20308	11	G2	EXPENDITURES AND SUPPORT NOT FILED TOGETHER	07	0
478	20377	12	G2	FIXED ASSET RECORDS NOT UP TO DATE	14	0
479	20703	13	G2	INCOMPLETE FIXED ASSET LIST-UNTIMELY	07	0
480	20703	14	G2	MISSING PUBLIC VOUCHERS - NO RECONCILIATION	07	0
481	20703	15	G2	MISSING DUPLICATE DEPOSIT SLIPS	07	0
482	20703	16	G2	MISSING FILES AND LEDGER CARDS	07	0
483	20703	17	G2	DOCUMENTS MISSING FROM PERSONNEL FILES	07	0
484	20781	18	G2	INADEQUATE MAINTENANCE OF GRANT FILES	14	0
485	20804	19	G2	INCOMPLETE FIXED ASSET RECORDS	14	0
486	20944	20	G2	CANCELLED CHECKS NOT IN FILE	07	0
487	21251	21	G2	UNTIMELY ANNUAL PROPERTY INVENTORY REPORT	07	0
488	21317	22	G2	UNTIMELY PROPERTY REPORT	07	0
489	21674	23	G2	INADEQUATE RECORDS ON CAPITAL ASSETS	14	0
490	21763	24	G2	INCOMPLETE PROPERTY EQUIPMENT INVENTORY	14	0
491	21926	25	G2	INVOICES NOT RETAINED FOR FILE	07	0
492	22032	26	G2	INADEQUATE FIXED ASSET RECORDS	14	0
493	22142	27	G2	INADEQUATE FIXED ASSET RECORDS	14	0
494	22233	28	G2	FIXED ASSETS NOT PROPERLY RECORDED	14	0
						\$0
G3 = NO DRUG-FREE WORKPLACE POLICY						

495	06438-92	1	G3	NO DRUG-FREE WORKPLACE POLICY	07	\$0
496	06491-92	2	G3	NO DRUG-FREE WORKPLACE POLICY	14	0
497	18218	3	G3	NO DRUG-FREE WORKPLACE POLICY	07	0
498	18341	4	G3	NO DRUG-FREE WORKPLACE POLICY	07	0
499	18673	5	G3	NO DRUG-FREE WORKPLACE POLICY	07	0
500	19779	6	G3	NO DRUG FREE WORKPLACE POLICY	14	0
501	20548	7	G3	NO DRUG-FREE WORKPLACE POLICY	14	0
502	20550	8	G3	NO DRUG-FREE WORKPLACE POLICY	14	0
503	20769	9	G3	NO DRUG-FREE WORKPLACE POLICY	07	0
504	20994	10	G3	NO DRUG-FREE WORKPLACE POLICY	14	0
505	21096	11	G3	NO DRUG-FREE WORKPLACE POLICY	14	0
506	21251	12	G3	NO DRUG-FREE WORKPLACE POLICY	14	0
507	21329	13	G3	NO DRUG-FREE WORKPLACE POLICY	14	0
508	21381	14	G3	NO DRUG-FREE WORKPLACE POLICY	14	0
509	21398	15	G3	NO DRUG-FREE WORKPLACE POLICY	07	0
510	21449	16	G3	NO DRUG-FREE WORKPLACE POLICY	14	0
511	21777	17	G3	NO DRUG-FREE WORKPLACE POLICY	14	0
						\$0

SUMMARY OF REPORTS WITH SIGNIFICANT FINDINGS

KARUK TRIBAL HEALTH PROGRAM-KARUK TRIBAL HEALTH, INC.

CIN: 06343-92. Number of IHS findings: 3

Cash management and cash advance deficiencies reported related to advances made to employees and excessive cash balances averaging over \$150,000 in a checking account.

KENAITZE INDIAN TRIBE

CIN: 06459-92. Number of IHS findings: 5

The audit report was qualified due to questions of the Tribe's ability to continue as a going concern. The Tribe had a general fund deficit at the end of the audit period and the previous period.

KALISPEL INDIAN COMMUNITY OF THE KALISPEL RESERVATION

CIN: 06782-92. Number of IHS findings: 4

Auditors disclaimed an opinion on the general purpose financial statements and schedule of Federal financial assistance due to incomplete records. Also, the Tribe has recurring losses and a net fund balance deficit that raise substantial doubt about its ability to continue as a going concern.

LAS VEGAS PAIUTE TRIBE

CIN: 06793-92. Number of IHS findings: 2

Cash management problems cited include a large cash balance of \$133,488 for an IHS contract.

KARUK TRIBE OF CALIFORNIA

CIN: 06819-92. Number of IHS findings: 3

Cash management problems findings include a large cash balance of \$352,240 relating to an IHS contract.

SANTO DOMINGO PUEBLO

CIN: 17478. Number of IHS findings: 8

Nonfederal auditor disclaimed an opinion because of lacking financial records. Excessive cash balances were maintained, and the Federal financial reports did not agree with general ledger.

CHOCTAW NATION OF OKLAHOMA

CIN: 17608. Number of IHS findings: 3

Employee payroll advances were charged to Federal programs. Lack of controls resulted in uncollectible travel advances.

PUEBLO OF NAMBE

CIN: 17804. Number of IHS findings: 4

The nonfederal auditor disclaimed an opinion on the financial statements and schedules. Seventeen of 20 recurring findings affecting all programs from the prior year were not resolved. There was inadequate documentation of financial transactions and inadequate maintenance of records.

CHEYENNE AND ARAPAHO TRIBES OF OKLAHOMA

CIN: 17810. Number of IHS findings: 12

Findings included unallowable costs; purchases which were not for the benefit of the grant; unauthorized use of grant funds; inadequate travel documentation; and non-existent, untimely or inaccurate reporting.

HELENA INDIAN ALLIANCE

CIN: 18964. Number of IHS findings: 15

There were interfund transfers and borrowing between programs, and lack of internal controls over cash.

TUNICA BILOXI INDIANS OF LOUISIANA

CIN: 19601. Number of IHS findings: 5

There was excess cash on hand of \$89,040 and interfund loans of \$94,000.

INDIAN HEALTH BOARD OF BILLINGS INC.

CIN: 20308. Number of IHS findings: 14

Deficiencies included cash deposits not made or recorded, excess travel advances not returned, inadequately supported expenditures, and an inadequate internal control system.

MILWAUKEE INDIAN HEALTH BOARD INC.

CIN: 20377. Number of IHS findings: 16

Inadequate procedures for cash, disbursements, accounts receivable, and patient billing; and incorrect allocation of expenses.

CONSOLIDATED TRIBAL HEALTH PROJECT INC.

CIN: 20703. Number of IHS findings: 28

Findings included loans made to officers and employees; inadequate controls over cash; inadequate support for disbursements; an inadequate fund accounting system; and incomplete or missing records and files.

OGLALA SIOUX TRIBE

CIN: 20755. Number of IHS findings: 6
Since this Tribe did not maintain a current general ledger, its correct financial status was not known at any time during the year. Support was lacking for travel advances, and interfund transactions were not reconciled.

ROSEBUD SIOUX TRIBE

CIN: 20944. Number of IHS findings: 10
Reported deficiencies included a material weakness in cash management causing excess cash draw downs. Other findings included inadequate support for expenditures, untimely close out of Federal accounting records, and incomplete files.

UNITED AMERINDIAN CENTER INC.

CIN: 21096. Number of IHS findings: 24
Among the deficiencies noted were lack of controls over cash, an inadequately designed accounting system, costs not supported by financial records, and untimely bank reconciliations. Indirect costs were not allocated consistently and were not supported by an approved indirect cost plan. The organization did not respond to government agencies concerning findings.

SAC AND FOX TRIBE OF THE MISSISSIPPI IN IOWA

CIN: 21251. Number of IHS findings: 13
Since cash management provisions were not complied with, the average daily cash balance for the last 3 months of the audit period was approximately \$180,000. Several required reports were filed in an untimely manner.

SOUTH DAKOTA URBAN INDIAN HEALTH INC.

CIN: 21543. Number of IHS findings: 6
The nonfederal auditor offered no opinion on financial statements due to the lack of records. Further, Federal funds and accounting records of the primary grants were co-mingled with the organization's other programs.

BLACKFEET INDIAN TRIBAL CORP.

CIN: 22032. Number of IHS findings: 5
The nonfederal auditor indicated that there is a going concern problem for this entity since the Tribe's general fund has repeatedly had deficit fund balances.

CONFEDERATED TRIBES OF THE GRAND RONDE COMMUNITY OF OREGON

CIN: 22136. Number of IHS findings: 12
The report indicated a repeat cash management finding of excess cash draw downs. Other findings included inadequate support for expenditures, lack of internal controls for invoices, and untimely submission of required reports.



DEPARTMENT OF HEALTH & HUMAN SERVICES

APPENDIX D

Public Health Service

MEMORANDUM

Rockville MD 20857

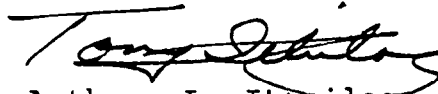
Date: SEP 28 1994

From: Deputy Assistant Secretary for Health Management
Operations

Subject: Office of Inspector General (OIG) Draft Report
"Summary of Nonfederal Audit Reports Related to the
Indian Health Service," CIN: A-05-93-00079

To: Inspector General, OS

Attached are the Public Health Service's comments on the subject OIG draft report. We concur with the recommendation and our comments describe the actions taken or planned to implement it.


Anthony L. Itteilag

Attachment

RECEIVED
OFFICE OF INSPECTOR
GENERAL
SEP 29 11 12 55

COMMENTS OF THE PUBLIC HEALTH SERVICE ON THE OFFICE OF
INSPECTOR GENERAL (OIG) DRAFT REPORT "SUMMARY OF NONFEDERAL
AUDIT REPORTS RELATED TO THE INDIAN HEALTH SERVICE (IHS),"
CIN: A-05-93-00079, JULY 1994

OIG Recommendation

We recommend that the Director of IHS:

- routinely perform analyses on the aggregate findings of the nonfederal audit reports conducted on IHS-funded programs in order to identify deficiency areas which may place IHS-funded programs at risk.
- emphasize what the weaknesses are, and provide guidance to the tribal groups on appropriate corrective actions. For example, applicable guidance may be provided by issuing program guidelines and instructions, and holding training workshops. Any corrective actions should be closely monitored to determine their effectiveness.

PHS Comments:

We concur.

The PHS Office of Management routinely performs annual reviews of findings cited in non-federal audit reports of PHS grantees and contractors which the OIG issues to the PHS agencies for resolution. The PHS reviews group the findings into the following 10 categories: accounting systems, administrative and operating procedures, internal controls, reporting requirements, questioned costs, advance payment and program income, costs set aside [on which the auditors had no opinion], program compliance, time and effort reporting, and property equipment. These audit findings are further grouped by agencies and staff offices. The PHS Office of Management disseminates this information to the agencies and staff offices in its annual audit management information report. This is done to inform the IHS and other agencies and staff offices of the areas in which their award recipients are experiencing problems so that they can take appropriate corrective action.

Further, our review of the deficiencies applicable to IHS disclosed in the PHS Fiscal Year 1993 audit management information report, indicates that the results of our analysis are generally comparable to those shown in the OIG draft report.

Regarding the second part of the OIG recommendation, the IHS already has in place a comprehensive program of education under which it provides technical assistance and guidance to nonprofit and tribal organizations which receive IHS grants

and contracts. This program is geared to address the problems disclosed in audit reports, and reports stemming from site visits conducted by contracting officers and program and grants management staff, and those which are brought to the attention of IHS by the grantees and contractors.

As part of this program, the IHS holds usually three annual sessions for new grantees to apprise them of administrative requirements they need to comply with, (i.e., financial management standards, cash management, reporting requirements, and property and purchasing standards), and how to attain compliance. Recently, the IHS instituted a program of bimonthly/quarterly telephone conference calls with urban Indian and tribal organizations to address problems which they are experiencing in the administration of their projects. In addition, the IHS is now developing pamphlets for its grantees and contractors with information on business management systems and documentation necessary to account for costs claimed under their IHS projects. Initially, these pamphlets will be disseminated to all urban Indian grantees. In the contracts area, IHS is providing technical assistance and guidance to contractors based on the results of the site visits conducted by contract staff.

Finally, in order to ensure that corrective action is taken to address the patterns of deficiencies and weaknesses identified in audit reports which are disclosed through our annual analyses of non-federal audit findings, the IHS will ensure that these matters are routinely addressed at their meetings with grantees and contractors. Further, the IHS will encourage its grants and contracts management staff to (1) review the deficiency patterns and weaknesses which are presented in the annual PHS audit management information report prior to conducting site visits, (2) determine during the site visits whether the nonprofit or tribal organization being reviewed is experiencing these deficiencies and weaknesses and whether there is a need to provide additional guidance to the organization, and (3) consider the pattern of findings disclosed in the annual PHS audit management information report during the pre-award evaluation of proposed grant budgets and contract cost proposals. These additional steps will become effective in Fiscal Year 1995.